CITY OF SAN JOSÉ, CALIFORNIA Hearing Date/Agenda Number Department of Planning, Building and Code Enforcement P.C. 4/10/02 Item: 4.d. 801 North First Street, Room 400 San José, California 95110-1795 File Number PDC 00-09-086 Application Type STAFF REPORT Planned Development Rezoning Council District Planning Area Central Assessor's Parcel Number(s) 259-05-024 thru -027, 259-37-037 thru -039, -058, 259-05-063 thru -066, 259-05-070 thru -072 PROJECT DESCRIPTION Completed by: Akoni Danielsen Location: Block bounded by North First, Taylor, Miller, and Asbury Streets. Net Acreage: 2.8 Net Density: 142.8 DU/AC Gross Acreage: 2.8 Existing Zoning: R-2 Residence, CG Commercial Existing Use: Residential, office, vacant Proposed Zoning: A(PD) Planned Proposed Use: up to 400 attached dwelling units, and 7,000 square feet of commercial space Development including live-work uses **GENERAL PLAN** Completed by: AD Land Use/Transportation Diagram Designation Project Conformance: [x]Yes [ ] No Transit Corridor Residential [x] See Analysis and Recommendations SURROUNDING LAND USES AND ZONING Completed by: AD Office, Residential CG Commercial, R-2 Residence North: Office CO Commercial, A(PD) East: Office CG Commercial South: West: Office, Residential CO Commercial, R-2 Residence **ENVIRONMENTAL STATUS** Completed by: AD [ ] Environmental Impact Report certified [] Exempt [ ] Negative Declaration circulated on [] Environmental Review Incomplete [x] Negative Declaration adopted on November 14, 2001 **FILE HISTORY** Completed by: AD Annexation Title: Original City Date: March 27, 1850 PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION [X] Approval Date: Approved by: \_ [ ] Approval with Conditions [ ] Action [ ] Denial [ | Recommendation APPLICANT/OWNER Barry Swenson Builder 675 North First Street, 5<sup>th</sup> Floor

San Jose, CA 95112

#### **PUBLIC AGENCY COMMENTS RECEIVED**

Completed by: AD

**Department of Public Works** 

See attached memo

### Other Departments and Agencies

See attached memos from Fire Department, Police Department, Environmental Services Department and Airport Land Use Commission.

#### **GENERAL CORRESPONDENCE**

See attached correspondence.

#### **ANALYSIS AND RECOMMENDATIONS**

### BACKGROUND

The applicant is proposing a Planned Development Rezoning to allow up to 400 attached residential units and 7,000 square feet of commercial uses in four towers up to 150 feet in height, and an associated parking garage, on a 2.80 gross acre site located on the block bounded by North First, Taylor, Miller, and Asbury Streets. The project includes demolition of five existing structures, including two structures at 711 North First Street and 740 Miller/88Asbury Street that are eligible for listing on the City of San Jose Historic Resources Inventory as "Structures of Merit."

Existing uses on the subject block include residential, office, and surface parking. The subject site is surrounded primarily by office uses to the north, south, east and west. The site is a block south of the Civic Center and three blocks west of the Japantown Business District. The Vendome residential neighborhood is located to the southwest of the project site.

The project fronts onto the Guadalupe Transit-Oriented Development Corridor. The Guadalupe Corridor is the first light rail transit line completed in the County. It consists of 20 miles of rail and a series of stations extending from Tasman Drive in the North San Jose/Santa Clara industrial area south along North First Street to the Downtown transit mall continuing south along Highways 87 and 85 to its southernmost stations located at the intersection of Coleman Avenue and Winfield Boulevard. The Guadalupe Corridor is part of a multi-modal transportation system that combines light rail with a freeway and incorporates bicycle lanes along portions of its right-of-way. The project would be the first high-rise, transit-oriented residential development since completion of the Guadalupe Corridor light rail line.

The project is anticipated to be built in several phases, depending upon market demand. The first phase (Sheet A-3.1) would construct an eight-story residential tower with 76 units at the corner of Asbury and Miller Streets, supported by an existing parking lot at Taylor and Miller Streets. The second phase (Sheet A-3.2) would place a second tower, 10 stories and 94 units at the corner of Taylor and Miller Streets. Parking would be provided in a multi-story-parking garage accessed from Asbury Street. The garage would be screened from First Street by live/work or retail uses, depending upon market demand. The third phase (Sheet A-3.3) would complete redevelopment of the site, extending the parking garage south to Taylor Street, and placing two 11 story towers with 203 units facing North First Street. This extended garage would also be screened from First and Taylor Streets by live/work or retail uses, depending upon market demand. Landscaping and recreational

uses would be placed on the roof of the garage to serve project residents. The impressive mature Bay tree would be retained and incorporated into the at-grade courtyard facing Miller Street.

### ENVIRONMENTAL REVIEW

An Initial Study was prepared for this project and a Mitigated Negative Declaration was adopted by the Director of Planning on November 14, 2001 (see attached). The Initial Study included a noise report, traffic report, cultural resources report, and tree survey. Mitigation measures identified in the reports have been incorporated into the project.

The traffic analysis (see attached summary) was completed based on two phasing scenarios for the project. The first scenario is Phase I, consisting of 76 units as described above. The second scenario is the buildout of the entire project, which would include construction of up to 400 units, and 7,000 square feet of commercial uses. It was assumed the SR 87 Freeway Upgrade Project would be completed prior to completion of project buildout. The SR87 project is anticipated to be completed by spring 2004. It is estimated Phase I would generate 437 daily trips, with 44 trips occurring during both the AM and PM peak hours. It is estimated project buildout would generate 1,791 daily trips, with 164 trips occurring during the AM peak hour and 167 trips during the PM peak hour.

Project trips generated by Phase I was added to future background traffic volumes to obtain intersection volumes for Phase I conditions. With the addition of Phase I traffic, none of the study intersections would experience an increase by four or more seconds in critical-movement delay, or an increase in the demand-to-capacity ratio of 0.01 or more. Therefore, the project would be consistent with the City of San Jose Level of Service Policy.

Project trips generated by buildout were added to reassigned future background traffic volumes (assuming SR 87 Freeway Upgrade Project completion) to obtain intersection volumes for buildout conditions. There would be no significant level of service impacts to local or regional streets resulting from project buildout.

Traffic volumes on freeway segments were calculated by adding the estimated Phase I and buildout trips to existing freeway volumes on freeway segments. For both scenarios, none of the directional freeway segments would be significantly impacted the project.

# GENERAL PLAN CONFORMANCE

The project is consistent with the San Jose 2020 General Plan Land Use/Transportation Diagram designation of Urban Transit Oriented Development Corridor. This designation, which was initiated on the site by City Council in 1991, is intended to expand the potential for residential development in proximity to major public transit. Development should be high-density residential development of at least 45 DU/AC, with retail and office uses permitted on the first two floors. The project provides high density residential development at 143 DU/AC and commercial uses on the ground floor, taking advantage of the numerous transit opportunities along North First Street.

General Plan Urban Design Height Policy allows a maximum building height of 150 feet along the North First Street Transit Corridor, between West Julian and West Hedding Streets, and the proposed building heights of 145 feet are consistent with this policy.

The project is also consistent with several General Plan Major Strategies, such as Growth Management, Housing, and Sustainable City, in that the project makes efficient use of an existing urban infill site by providing high density housing near light rail transit, major transportation corridor and jobs. Additionally, high density infill housing is an integral component of the Downtown Revitalization Strategy.

### **ANALYSIS**

The primary project issues include conformance with Council Policy 6-24, Evaluation Criteria for High Density Housing near Rail Transit, and the Residential Design Guidelines.

**Council Policy 6-24 Conformance**. Staff believes the project conforms to the Policy (attached) as described in more detail below.

Site Location. Per the Policy, the project is located within close walking distance (one block) of the transit stop at North First and Mission Streets. The project, separated by two major streets, does not share an interface with the single-family neighborhoods to the east and south, and is the only land use on the block. The project will not displace viable non-residential uses important to the City's broader economic interests. Two structures of moderate historic value will be displaced by the project, but they will be offered for relocation and salvage, and photo-documented prior to removal. The project capitalizes on existing infrastructure, services, and amenities present along North First Street and in the surrounding neighborhood, making efficient use of existing roads, transit facilities, and shopping. The project will contribute park fees that will be used to develop additional facilities within the neighborhood.

<u>Relationship to Single Family Residential Development</u>. The policy requires that there be a compatible interface between high density housing and single family development, with separation either by an intermediate land use or adequate physical barrier, i.e. major arterial or creek. The project is isolated on its own block, and staff believes North First and Taylor Streets are adequate buffers to separate the proposed project from the lower density residential neighborhoods to the east and south, as the two major streets are existing boundaries for the two neighborhoods.

Relationship to Surrounding Properties. The proposed project will relate well to the surrounding Civic Center Area development in terms of scale and massing, as shown in the North First Street massing exhibit (attached). The project will fill a gap in massing that exists on the west side of North First Street between Taylor and Hedding Streets. As shown on the attached exhibit, the project height will be greater than City Hall and Annex and 777 North First Street, but less than either the County Executive Building or 675 North First Street. The project is undeniably tall, particularly in relation to the neighborhoods to the south and east, but staff believes North First and Taylor Streets provide adequate separation from the lower scale residential neighborhoods. As described above, General Plan Urban Design Height Policy was amended by City Council previously to allow building heights up to 150 feet on the subject block. The project will become part of the Civic Center cluster of tall structures, rather than an incompatible intrusion into existing neighborhoods.

On-site Project Requirements. Per the policy, the project features a mixture of uses and a strong transit orientation. The commercial and/or live-work space planned along North First Street could provide retail or other neighborhood-serving uses to benefit the surrounding area. Parking will be provided per the Zoning Code, with a 10% reduction authorized due to the site's proximity to the light rail station. Useable private and common open space will be provided for residents.

Residential Design Guidelines Conformance. Staff believes the project conforms to the relevant standards for high-density mixed-use development. Along the four street frontages, the project features a strong pedestrian orientation, with wide sidewalks, prominent building entries, and groundfloor retail and/or live-work units directly accessible from the sidewalk along North First Street. Building setbacks are minimal in keeping with the surrounding neighborhood pattern. Common open space is provided in the common courtyard and on the garage roof to serve residents. The majority of units feature private open spaces in the form of patios and balconies. Parking is placed within the project, shielded by the groundfloor retail space, units, or the building facade. The conceptual elevations indicate a tower design with a well-established building base, midsection, and articulated roof form. The four towers will be an attractive addition to the collection of tall structures clustered near the Civic Center.

Conclusion. The project presents an opportunity for a model transit-oriented development project that will reduce traffic congestion and air pollution. The proposed high density housing takes advantage of the light rail line, and in turn reinforces the viability and efficiency of the light rail line by placing residents in a position to realistically use it. It also a pioneering effort at high-rise residential construction, a new form of development in San Jose that incorporates smart growth principles. The project is the right match of construction type to site location because the project responds to the existing scale of development in the Civic Center Area between Taylor and Hedding Streets, and is isolated on its own block and separated from existing lower scale neighborhoods by North First and Taylor Streets.

# **COMMUNITY OUTREACH**

A public hearing notice for the project was published in a local newspaper and mailed to all property owners and tenants within 1000 feet of the subject site. The applicant has held several community meetings hosted by the Council District 3 office, the most recent taking place April 2, 2002. The community members who attended raised concerns with the project height, density, traffic, parking, and shading.

## RECOMMENDATION

Planning staff recommends the Planning Commission forward a recommendation of approval and the City Council adopt an ordinance rezoning the subject site for the following reasons:

- 1. The proposed rezoning conforms to the subject site's General Plan Land Use Diagram Designation of Urban Transit Oriented Development Corridor.
- 2. The proposed project will further the goals and policies of the General Plan's Housing Strategy by providing high-density infill housing in close proximity to transit and commercial/retail opportunities.
- 3. The project conforms to Council Policy 6-24, Evaluation Criteria for High Density Housing near Rail Transit
- 4. The proposed project conforms to the applicable Residential Design Guidelines.
- C: Jessie Hall, Barry Swenson Builder, 675 North First Street, 5<sup>th</sup> Floor, San Jose, CA 95112 Jon Ennis, Berger Detmer Architects, 400 Montgomery Street, The Penthouse, SF, CA 94104